

**The Housing Element of Franklin's Community Development Plan**  
***"Affordable Housing, Strategy and Development Action Plan"***

*Prepared for:*

TOWN OF FRANKLIN, MASSACHUSETTS

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# **The Housing Element of Franklin’s Community Development Plan**

## ***“Affordable Housing, Strategy and Development Action Plan”***

### **I. HOUSING PROFILE**

#### **A. Introduction**

Homes and the opportunities for housing are keys to defining a community. The evolution of modern communities started from relatively permanent settlements of people willing to live within a common organization. Who lives where and how they live are basics for understanding a community. This information can also be used to determine how to maintain a high quality living experience for those same people.

Housing conditions can be assessed by past, present, and projected demographic and housing data. The information collected for this study shows that Franklin is approaching its ‘build-out’ of residential sites, and there are several other issues to consider:

- Growth is actually slowing, so even greater care is suggested in how the final pieces of Franklin are completed.
- The one area where growth is continuing to influence the community is in affordable housing projects, which are being subsidized by housing assistance programs and filed under the provisions of Chapter 40B.
- Housing is dependent on the types of services such as transportation that the community offers to its existing and future residents. The best locations for low and moderate-income households as well as for the elderly are dependent on where and how these services can be delivered.

#### **Organization of the Housing Profile**

The profile is organized to provide information on the people and housing conditions in Franklin. It summarizes information on the housing stock, and includes an analysis of the gap between housing availability and the market (including low, moderate, and middle income). It concludes with key findings, goals and recommendations.

#### **Historical Perspective**

Franklin was once primarily a rural community that embraced its future in the development of mills during the industrial revolution. These mill industries slowly died during the 1900s and left many vacant buildings. Franklin then changed dramatically when new interstate highways connect this town with the region. New office and industrial parks and residences were constructed as a result of the improved access created by the completion of I-495 and other transportation improvements. Franklin has thus turned to a service economy with a substantial land area committed to residential development.

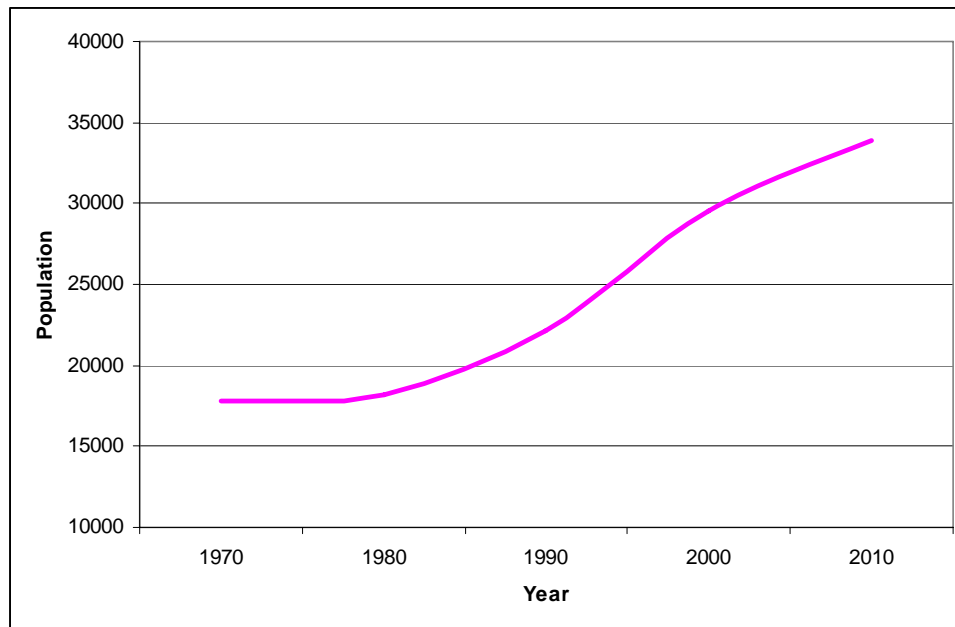
## **B. Demographics**

The following summary information presents key characteristics that identify the unique population of Franklin.

### **Population Trends**

Franklin's location near the Boston metropolitan area and the excellent transportation access offered by Interstate 495 make it an attractive community for home seekers to in this region as well as those that want to work in the area. The population of Franklin has increased approximately 34% over the past 10 years, or about 3.4% on an annual basis (see Figure 1). According to the Massachusetts Department of Employment and Training, the population is expected to increase about 15% between 2000 and 2010 or about half the rate of the previous ten years. Compared with overall state growth at about 5% over the last ten years, Franklin has shown a very strong growth rate.

*Figure 1. Population in Franklin between 1970 and 2010*

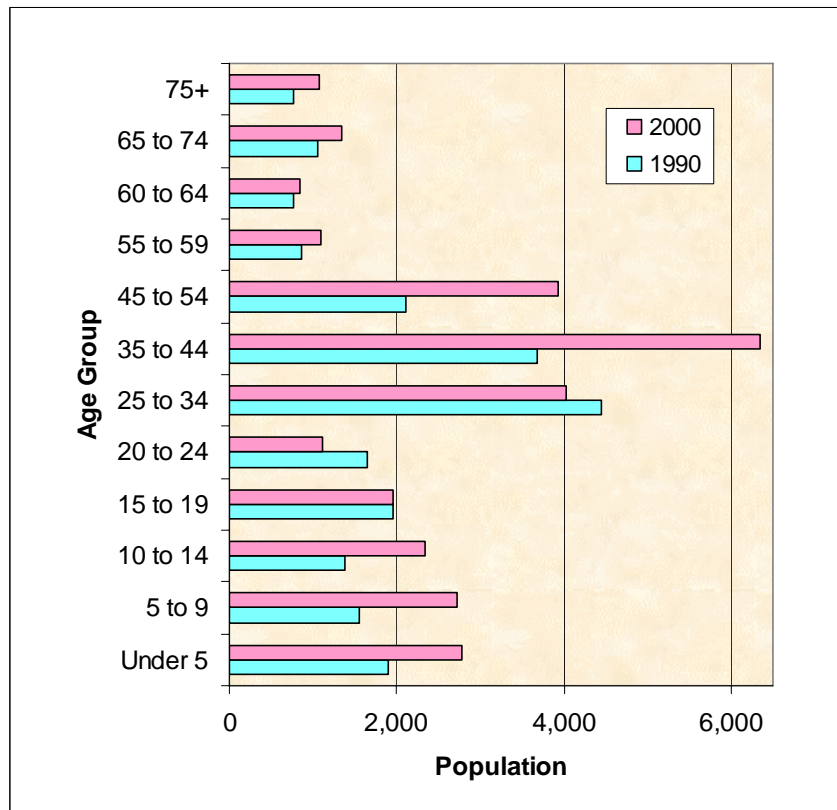


Sources: US Census 2000, MADET for estimated population between 2000 and 2010.

### **Population Characteristics**

Population profiles typically reveal the composition of age groups or cohorts and the change in them over ten-year periods (see Figure 2). In general, the chart reveals a substantial increase in the 35 to 54 age cohorts along with the younger cohorts in the 0 to 14 ages. This is indicative of existing families remaining in the area as well as new families and children moving into Franklin. Only the 20 to 24-age cohort decreased between 1990 and 2000. When considering in and out migration, this could be associated with choices for living and job opportunities.

Figure 2. Population by Age Group by Census Years 1990 and 2000



Sources: US Census 2000, Summary File 3, P8.

### Population Density

Franklin has the largest land size and the second highest population density of communities in the area (see Table 1). Although most of the densities of towns in the area are similar, the populations vary significantly and range from about 8,000 to 30,000 residents. These density figures indicate the urbanization of Franklin.

### Household Income

Franklin's median household income of \$71,174 represents the average income of neighboring towns and is almost 30% higher than the Boston Primary Metropolitan Statistical Area (PMSA) income (see Table 2). All the communities have median household incomes that range from about \$55,000 to \$98,000.

There is a large range of median household incomes within Franklin, with almost 10% of the households having an income more than \$150,000 (see Figure 3). Approximately 31% of the households have incomes less than \$50,000.

*Table 1. Population Density of Communities in the Franklin Area*

<b>Community</b>	<b>Land</b>	<b>Population</b>	<b>Density</b>
Bellingham	18.55	15,027	810
Blackstone	10.97	8,818	804
Foxborough	19.70	16,596	842
FRANKLIN	26.70	29,800	1,107
Medfield	14.43	12,290	852
Medway	11.60	12,900	1,112
Millis	12.17	8,014	659
Norfolk	15.10	11,796	781
Wrentham	22.06	10,160	461
<i>Average</i>	<i>16.8</i>	<i>13,907</i>	<i>825</i>

Sources: US Census 2000, Mass GIS Land-use Database

*Table 2. Household Incomes for Communities in the Franklin Area*

<b>Community</b>	<b>Median Household Income</b>
Bellingham	\$64,496
Blackstone	\$55,163
Foxborough	\$64,323
FRANKLIN	\$71,174
Medfield	\$97,748
Medway	\$75,135
Millis	\$62,806
Norfolk	\$86,153
Wrentham	\$78,043
Boston PMSA	\$55,183

Source: US Census, 2000, Summary File 3, Tables P52, P54, DP-3.

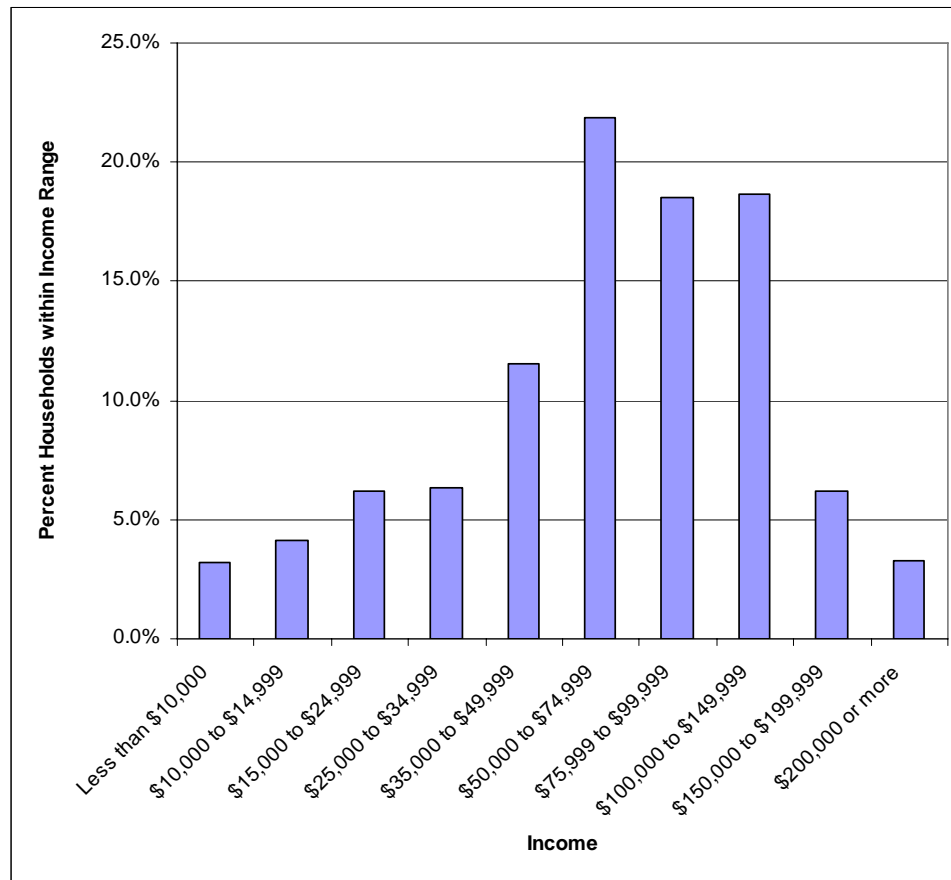
The area median income for the Boston PMSA is \$55,183. The moderate-income level (less than 80% of the median) is therefore \$44,146, and the low-income level (less than 50%) is \$27,592. These figures will be discussed further in the section on Housing Affordability and Gap Analysis.

## **Town Infrastructure**

### ***Water Supply and Demand***

Water for the Town of Franklin is supplied from ten groundwater sources. Approximately 90% of the town is serviced by the public water supply. The average daily demand (ADD) by all users was 2.9 million gallons per day (mgd) and the maximum daily demand (MDD) was 4.34 mgd for the year 2000 (see Table 3).

Figure 3. Median Household Incomes in Franklin, 1999



Source: US Census, 2000. Summary Tape 3, DP-3.

Projected water demand was based on the average use per person of 70 gallons per capita consumption per day (gpcd) and the projected population as determined from a recent water study by Tata and Howard, 2001. The study used the Metropolitan Area Planning Commission population projection of 39,062 in 2020. The ADD for 2020 was estimated at 4.70 mgd. The MDD was estimated at 7.48 mgd. Although this estimate is below the yield for 2020, the maximum daily rate would most unlikely be sustained over the long term, which the wells would have time to recharge and replenish their supply.

Table 3. Current and Projected Water Use and Demand

Time (year)	ADD (mgd)	MDD (mgd)	Yield (mgd)
Current (2000)	2.89	4.34	5.41
Projected (2020)	4.70	7.48	5.41 <sup>1</sup>

Sources: Tata and Howard water study for the Town of Franklin, 2001

Note 1. The yield will most likely increase due to improvements in the system design, the reduction in the unaccounted for water loss (which is at 10% of the total use), and a potential new well.

### ***Meeting Demand***

The Town of Franklin has been and is currently addressing the water supply, demand, and quality issues and needs as noted in the following points:

- The Town is going through the permitting process for a new well, which will add capacity and increase the yield.
- A water treatment facility, which will add approximately 1.5 mgd to the Town's water supply, will be constructed in the near future.
- A water protection overlay district was recently adopted by the Town to protect and maintain the water supply and quality.
- The Town is adopting measures to increase the efficiency of the water system as part of its overall strategy to meet demand. In particular, the water department is addressing the amount of water loss to the system, which is around 10%, by using various methods, such as infiltration and inflow tests, to reduce loss.

With these plans to address the supply and demand and current projections, the Town of Franklin appears to be able to support the projected population increase over the next 20 years.

### **Sewer Service**

Approximately 75% of the Town has public sewer. There are still a number of undeveloped parcels in the Town that are eligible for extension or tie-ins to the sewer system. The existing sewer infrastructure is considered to be in good condition. The Town has identified a few areas including one of its main interceptors that will need maintenance in order to maintain the capacity of the system.

### **School Capacity**

The Town recently opened the Keller (grades K - 5) and Sullivan (grades 6 - 8) schools and plans to open the Oak Street (grades K - 5) and Horace Mann (grades 6 - 8 including an ECDC facility) schools in 2004. The addition of these school facilities has and will allow the Town to redistribute the current school population accordingly and will further position the Town for future population absorption. Based on current development trends and the low impact nature of the Town's housing strategy, the Town anticipates adding approximately 100 new school children per year. At this growth rate, the Town anticipates needing additional school facilities in 2015.



### **C. Franklin Housing Assessment**

This housing assessment provides an overview of the existing conditions of the housing stock, which is based on its physical characteristics and residential development patterns.

#### **Physical Characteristics of the Housing Stock**

Franklin's 10,327 housing units represent a broad range of residential use types from single-family homes to 10 or more-unit apartment complexes (see Table 4). According to the US Census count in 2000, approximately 76% of the town's inventory consists of single-family homes. The number of properties with 10 or more units (7.3%) is also higher than properties with 5 to 9 units (5.4%).

*Table 4. Franklin Housing Unit Inventory*

<b>Unit Type</b>	<b>Units</b>	<b>Percent</b>
Single Family	7,823	75.8%
2 – 4 Units	1201	11.6%
5 – 9 Units	554	5.4%
10+ Units	749	7.3%
Other	0	0.0%
<b>Totals</b>	<b>10,327</b>	<b>100.0%</b>

Source: US Census 2000, SF-3, DP-4

The above data are based on the US Census data, which differs from the Town of Franklin's Assessor database due to the various methods of recording and classification in each database. The assessor database identifies the types of uses on each parcel in the town, and is based on local conditions. Aside from condominiums, multiple-unit properties can be added to determine the total number of residential properties. Although these numbers do not represent the actual count of residential units, they provide an indication of the relative amounts of different property types (see Table 5).

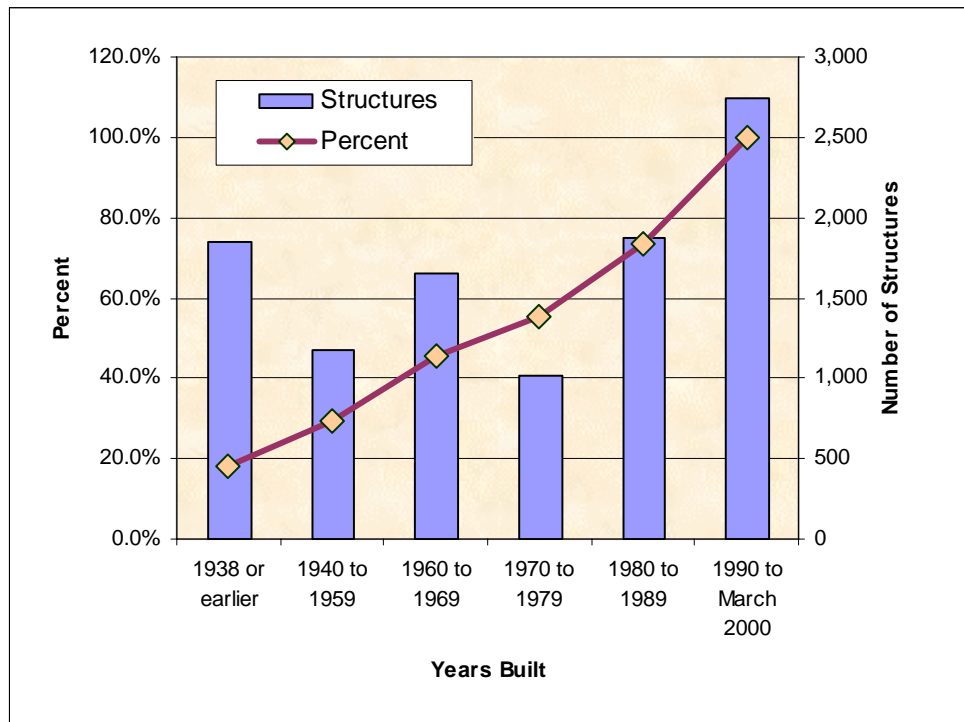
*Table 5. Parcels in Franklin with Residential Uses*

<b>Classification Use</b>	<b>Land Use Code</b>	<b>Parcels</b>
Single Family	101	7,423
Condominium	102	6
Two Family	104	254
Three Family	105	81
Multi-House Parcel	109	18
4-8 Unit Apartment	111	52
More than 8 Unit Apartment	112	10
Rooming and Boarding Houses	121	1
Other Non-Transient Living	125	1
Child Care Facility	140	10
<b>Totals</b>	<b>--</b>	<b>7,856</b>

Source: Town of Franklin Assessor Database – FY 2003.

The age of Franklin’s housing stock reveals important characteristics about the residential development. Almost half of the current stock of housing units was built before 1960, which was when the interstates were built (see Figure 4). After 1959, there was significant growth in the number of new residential structures during the next 30 years, especially during the 1990s. In fact, approximately 27% of the total stock, or more than 2,700 structures, were built in the 1990’s.

*Figure 4. Age of Housing Stock and Percent of Total Structures in Franklin*



Source: US Census 2000, Summary File 3, H34.

## Developable Residential Land

The amount of developable land for residential uses in a community helps decision makers determine the most appropriate types of new residential development for different areas of the town. Large tracts of land, for example, may be suited for cluster development that preserves open space. Small infill lots may be appropriately used for high-density residential developments that are similar in character to the existing, surrounding neighborhoods.

Franklin has approximately 816 acres of land that could be developed for residential uses according to the Assessor’s database (see Table 6). This represents a relatively larger percent (5.1%) of the all the assessed land. The average undeveloped lot size is 2.1 acres, and approximately 21% of the lots are less than ½ acre in size. Depending on their location within the town and the type of zoning and density allowances, many lots have

the potential for new and infill developments. Any residential development on these lots would, of course, depend on site-specific characteristics including, access, adjacent uses, environmental constraints, availability of utilities, property owners, zoning and other regulatory controls, and similar land development elements.

*Table 6. Characteristics of Developable Land in Franklin*

<b>Land Characteristics</b>	<b>Amount</b>
Total Assessed Land Area	15,889 Acres (24.8 square miles)
Available for Residential Development	816 Acres
Percent of Land Available for Residential Development	5.14%
Number of Developable Parcels	385 Lots
Average Developable Parcel Size	2.12 Acres
Number of Lots less than 0.5 Acre	82 Lots

Source: Town of Franklin Assessor Database, 2003.

The amount of developable land for residential property, however, is not restricted to land that is zoned for residential use. There has been recent development of industrial-zoned property for residences, in particular, for a Chapter 40B development.

## **Housing Tenure**

Housing tenure provides an indication of the number of homes that are owned and rented within the community as well as the shift in tenure, if any. In Franklin, more than 81% of all occupied units are owner occupied (see Table 7). They increased significantly by 47% from the 1990 count, and increased 35% from the number of all occupied units in 1990. Although the number of rental units increased, there was a significant decrease (-5.5%) in the percent of the total occupied rental units between 1990 and 2000.

There has been a slight drop (13.5%) in the average household size of renters per unit that rent properties in Franklin. Of particular note is the difference between the household sizes, more than 1 person per household. Owner-occupied units have relatively larger households.

## **Building Permits – New Construction**

New construction of single-family homes has decreased substantially since the middle 1990s (see Figure 5). Although this decrease occurred about the same year that the 100 residential permits per year moratorium was adopted by the Town Council (1997), it does not necessarily mean it was the main reason for this drop in permits. The only new construction for multifamily units occurred in 2002 with 96 units.

## Building Sales

The average price of single-family homes has increased more than 70% between 1998 and 2002 (see Figures 6 and 7). A more moderate trend also occurred for condominium sales for the same period.

The number of single-family units and condominiums sold between 1998 and 2002 remained relatively constant. However, residential properties other than single-family homes and condominiums dropped almost 38% during this same period.

Table 7. Housing Tenure in Franklin, 1990 and 2000

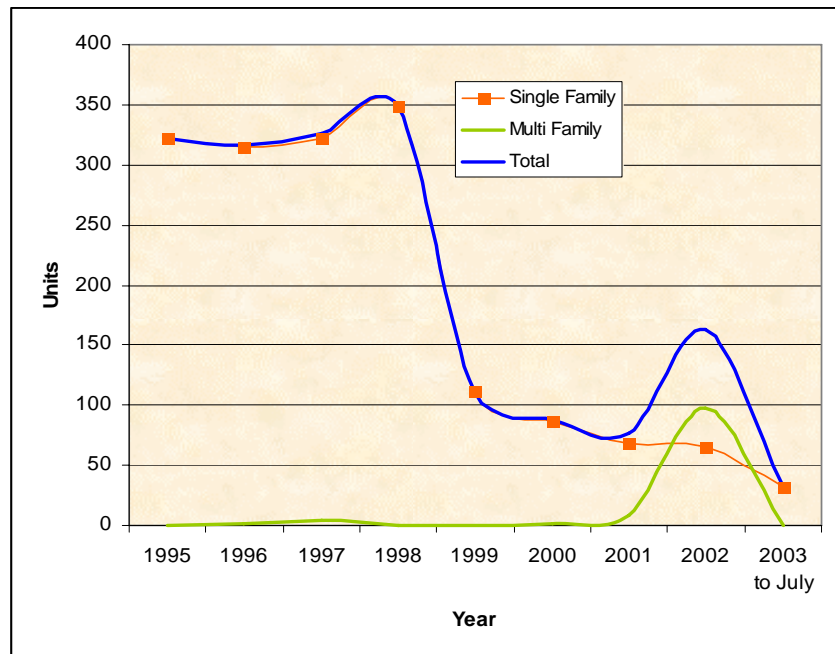
Housing Tenure	1990 Number	Percent <sup>1</sup>	2000 Number	Percent <sup>1</sup>	1990-2000 Change <sup>2</sup>	1990-2000 Change (%) <sup>2</sup>
Total Housing Units	7,692		10,327		2,635	34.3%
Occupied Housing Units	7,406		10,152		2,746	37.1%
Owner-occupied unit	5,609	75.7%	8,247	81.2%	2,638	47.0%
Renter-occupied unit	1,797	24.3%	1,905	18.8%	108	6.0%
Vacant housing units	286		175		-111	-38.8%
<i>Average Household Size</i>						
Owner-occupied units	3.06	--	3.06	--	-0.10	0.0%
Renter-occupied units	2.22	--	1.92	--	-0.09	-13.5%

Source: US Census 2000, DP-1.

1. Percent of total occupied units.

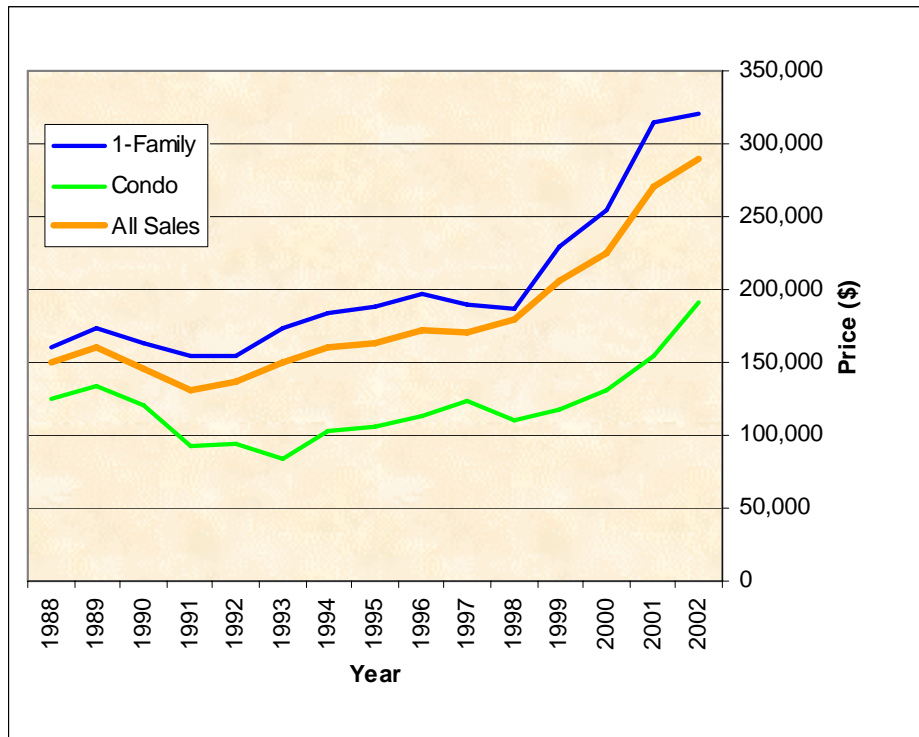
2. Increase or decrease in the units between 1990 and 2000.

Figure 5. Building Permits in Franklin, 1995 to July 2003



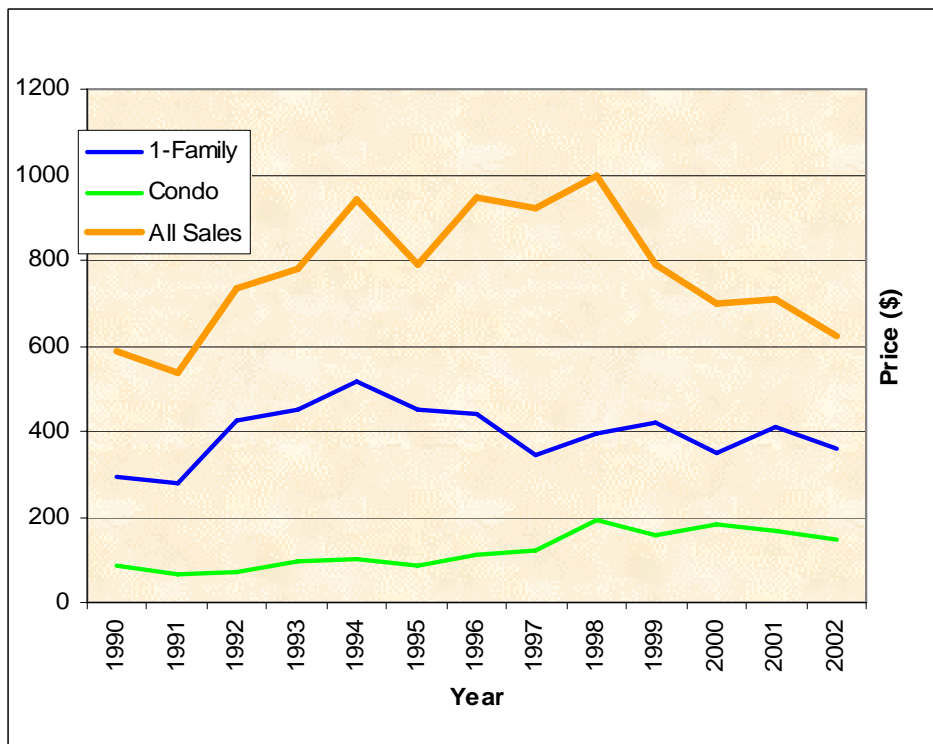
Source: MADOR, 2003

Figure 6. Sale Prices of Homes in Franklin, 1988 - 2002



Source : The Warren Group, 2003

Figure 7. Sales of Homes in Franklin, 1988 - 2002



Source: The Warren Group, 2003

## **D. Housing Affordability**

In Massachusetts, the term “affordable housing” covers the range of homes made affordable to lower, median and moderate-income households. There are two aspects to determining local needs and affordability in Franklin. One is the state’s planning and program goal for production of affordable housing. The other is the real estate market that sets the price point for homes and the family incomes that define their ability to enter that market. This report includes summaries of demographic data and housing market information with the intent of showing how any disparities are impacting the local population.

### **State Program Goal: Chapter 40B**

Chapter 40B is the Massachusetts statute that sets the state’s goal for subsidized housing development. Chapter 40B establishes a legal presumption of unmet affordable housing needs when less than 10% of a community’s year round housing stock is affordable to households at or below 80% of area median household income as determined by the Department of Housing and Urban Development (HUD).

The statute allows subsidized housing to be developed with an override of local zoning through use of a comprehensive permit. This statute allows both for-profit and non-profit applicants for residential development to bypass local zoning regulations if they include a percentage, usually 25% of the total units at affordable rates. The measures used to ensure affordability are deed restrictions or covenants that are able to restrict sale and resale prices and rents when the units are vacated, sold, or leased.

Generally, communities that do not meet the 10% threshold must issue a comprehensive permit unless there is a compelling basis to deny one. Franklin is approaching this threshold. However, even after the Town reaches the 10% goal, it must still conform to the Department of Housing and Community Development requirements for housing plans, which require specific goals for subsidized housing. In general, they require the town to increase the amount of subsidized housing by a certain percentage and show efforts, such as a updated housing strategy or housing development policies, toward increasing the numbers of affordable units on an annual basis.

### **Local, Regional, and State Chapter 40B Housing Units**

The state maintains a database of housing units for all 351 of its communities. Housing units that the state determines qualified for Chapter 40B are listed as a percentage of the total units. According to the city planner, Franklin currently has 661 units or 6.29% of its total year round units that qualify as subsidized under Chapter 40B (see Table 8). Statewide, 8.45% of all houses and apartments meet the statutory definition of low and moderate-income housing units. However, only 27 of the state’s 351 communities have met the 10% goal.

Although Franklin has not met the state's goal of 10%, there are several proposed Chapter 40B projects that could help increase the number of subsidized units. The Town of Franklin recently approved two projects (96 affordable rental units and 114 senior condominium units with 6 affordable units). The Franklin Zoning Board of Appeals is currently reviewing a large project (300 rental units). A 100-unit project, a 22-unit project, and a 25-unit project are also in the planning stages. If all of them are approved, this would add at least 405 qualifying units to total, and this would raise the percent subsidized to 9.73%.

*Table 8. Qualifying Local and State Housing and Chapter 40B Units*

	<b>2000 Census Year Round Units</b>	<b>Total Development Units</b>	<b>Ch. 40B Units</b>	<b>Percent Subsidized 2000 Base</b>
DHCD Record	10,296	730	559	5.43%
Recent Approvals	210	210	102	6.29%
<i>Anticipated</i>	<i>300</i>	<i>300</i>	<i>300</i>	-
<i>Proposed Developments</i>	<i>147</i>	<i>147</i>	<i>105</i>	-
Sub Total	447	447	405	-
Total	10,792	1,226	1,055	9.73%

Source: DHCD inventory through 10/1/01, revised April 24, 2002. Town of Franklin Planning Department, August 2003

### **Cost Burden as a Measure of Housing Affordability**

Housing affordability can be measured by the ability of households to pay a mortgage or rent as a certain percentage of income. A need for affordable housing exists when the median household pays more than 30% of its income for housing. Specifically, if the monthly housing costs – mortgage payment, property taxes, and home insurance – are higher than 30% of monthly gross incomes or where tenants pay more than 30% of their gross monthly income for rent and utilities, then a need for more affordable units is indicated. This measure of affordability is typically known as “housing cost burden.”

### **Home Ownership Affordability: Gap Analysis**

A way to measure home ownership affordability is to determine the difference between two economic figures: 1) ‘buying power’ based on the income of a buyer in the same community or region as the home being sold, and 2) the sales price of the home. This information can be used to determine the disparity or “gap” between those sales and the buying power of the potential owner. The *gap analysis* is a method used to determine the relative opportunities to afford housing. By looking at what people can afford, based on available demographic information, a picture emerges of how difficult it would be for a family with a certain income to settle into a community.

Homeowners typically have to pay monthly housing costs, which usually consist of a monthly mortgage payment, taxes, and insurance. However, equity or cash that must be used in most cases as a down payment for a new house is also necessary to enter the

market. Conventional underwriting standards usually offer mortgages with a 30-year payment period and require a 10% down payment. Recent home sales in this area were used to calculate the demands on homebuyers for both savings to create the down payment and the cost of the mortgage.

The following figure depicts the amount of savings that would be required as a 10% down payment for homes in Franklin over the past 14 years. As the graphic shows, to finance a mortgage with a sufficient down payment, the amount of needed savings has increased more than \$11,000 over the past five years. This places substantial burden on families that are constantly trying to afford a down payment and to “catch up” with the housing market.

*Figure 8. Savings Required for a 10% Down Payment for Homes in Franklin between 1988 and 2002*



Source: The Warren Group: Median Single-Family and Condominium Sales, 1990 - 2002.

The next step is to take this information and determine how difficult it may be to purchase a home. Using the conventional mortgage provisions and an interest rate of 7.5%, homebuyers in Franklin with an area median income of \$55,183 can afford a purchase price of \$219,000 (see Table 9). This assumes that there is a 10% down payment and 30% of the income is applied to the mortgage. Under these terms and conditions, housing in Franklin is not affordable for households at or below median incomes. Only households with incomes near or above middle-income levels could afford to purchase a single-family home.



Table 9. Housing Affordability Gap for Franklin at Low, Moderate, Median, and Middle-income Levels

Income Level (% of Household Income, 1999)	Income	Affordable Purchase Price Based on Income	Median Single Family Sale Price (1999)	Gap + / -
Low (50%)	\$27,592	\$109,500	\$315,000	-\$205,500
Moderate (80%)	\$44,146	\$175,000	\$315,000	-\$139,500
Median (100%)	\$55,183	\$219,000	\$315,000	-\$96,000
Middle (150%)	\$82,775	\$315,500	\$315,000	\$14,000

Sources: US Census 2000, SF 3, P53, The Warren Group: Median Single-Family Home Sales, 1999.

## **E. Conclusions of Existing Conditions**

The Town of Franklin has a unique history of development that has shaped, molded, and influenced the development of this Massachusetts town. From this synopsis of information, several issues are recognized which will be important in Franklin's future housing programs and overall planning.

- Although overall population growth has continued, the most significant population growth has been in middle-age cohorts. These are typically the age groups that have the largest family sizes and live in single-family homes.
- The gap between the median costs of home ownership and the median, moderate, and low-income levels is very significant. For middle-income buyers, the cost differential is not considered highly significant at this time, so long as the higher income jobs remain available for residents.
- The amount of buildable land is decreasing while the housing stock is aging. As the town approaches build-out, the ability to control housing costs by new production will be very limited. Moreover, the potential for future reconstruction and redevelopment pressures suggests that renovation, updating, and infill development policies will be important to the future character of the residential areas, in particular the areas with older housing stock such as the downtown and surrounding neighborhoods.
- The town is expected possibly surpass the state's subsidized housing goal of 10% in the next few years. This has important implications for the town's housing strategies by providing an opportunity to focus new housing development into areas that meet specific local goals and regulations rather than general state mandates.
- The existing water and sewer infrastructure and planned projects appear to adequately support existing and projected population growth and housing development. Recent and planned school facilities also appear to support the future educational needs of the Town's residents.

## II. HOUSING PROGRAM RECOMMENDATIONS

The housing assessment process has revealed the need to improve the housing affordability in Franklin, in particular, housing for low, moderate, and middle-income households. This process involved the review of current data, public meetings and conversations with local officials and groups including the Franklin Town Council, Planning Board, Franklin Housing Authority and the Department of Planning and Community Development.

Unless measures are taken to protect and increase the supply of low, moderate, and middle-income housing, the current market trends will continue to reduce choices for many Franklin residents, as those who can pay more will steadily outbid those of lesser means, resulting in displacement at the moderate and lower end of the income spectrum. There is real danger that people who were raised and who work here will no longer be able to afford to live here unless the supply of affordable housing for working families is increased. The people being squeezed out of the housing market are workers in the schools and town services, and the elderly, who have all traditionally been a part of the community's socio-economic fabric. Business, city government, and the public schools report that selected candidates do not take jobs, or do not stay, because they cannot find housing in the community.

The antidote to this trend is expansion of opportunities for many market segments simultaneously, which will gradually reduce housing demand. As a result of the input, a series of recommendations to meet the housing needs of the community were developed. These recommendations serve as a beginning for the housing strategy, which must be implemented by all those that have a stake in the quality of life for those that live and work in Franklin.

The following recommendations will help meet certain housing demands. Implementation of any individual recommendation would be inadequate. It is imperative that the comprehensive package of policies and actions are supported simultaneously in order to retain a diverse and healthy residential community.

### **A. Housing Goals and Supporting Objectives**

The strategy for housing is based on goals that set the overall direction for each of the recommendations. These goals have been developed from an analysis of existing housing issues and needs, discussion with the town officials, and public meetings. Franklin's overall housing goal and policy statement is to:

*Adopt strategies and take actions that promote planning, remove barriers, and create a positive atmosphere for development of housing that is affordable to individuals and families across a broad range of incomes particularly the needs of Franklin's low, moderate, and middle-income residents.*

Supporting objectives are:

- Limit single-family housing development that does not provide affordable units;
- Create incentive zoning to aid in the creation of affordable and market rate units;
- Create more affordable single-family housing units;
- Increase the number and percentage of senior and elderly housing units;
- Provide for multi-family housing with minimal impacts;
- Ensure that the Town exceeds the state's 10% for affordable housing (Chapter 40B);
- Identify public and privately owned property that can support housing development.

The Town of Franklin's numerical goals for the housing to be created include creating four hundred and fifty (450) affordable units over the next five years. The units to be created will include senior condominium units and apartments, single-family homes and non-age restricted rental housing. Initially the Town plans to permit a minimum of 400 units of family rental and senior rental and condominium units which will bring its affordable inventory up to roughly 1061 representing 10%± of the year round units in Town. In addition, the Town will work with various local, regional and state agencies to produce a minimum of 10 single family, rental and condominium units per year through a comprehensive housing creation and rehabilitation program. In keeping with the elements under recommendation #2 listed below, in five years the Town will reassess its housing inventory and production accomplishments in order to set new unit production goals.

### **Steps Taken to Address the Housing Need**

The Town of Franklin has been actively working to improve the housing conditions within the community. Pursuant to the policy and production goals listed above the following actions have been taken:

- The Town declared approximately 21 acres of land surplus and executed a below market sales agreement with a non-profit developer to build 100 units of rental and ownership senior housing for low and moderate income levels. The plans for this site are 40% design. Due to the multifaceted nature of the project and funding required the Town expects the project to be completed by winter of 2008.
- The Town recently granted a Comprehensive Permit to allow a 300-unit rental housing development on Upper Street located in the Southeast quadrant of Franklin.
- The Town was recently awarded a Peer to Peer Technical Assistance Grant from DHCD to design a housing rehabilitation program that will be used to create additional affordable rental housing in and around the downtown.

- Once the Housing Rehab program is designed, the Town will hire a part-time housing coordinator to implement the program. The Town intends to use state funding sources such as Community Development Block Grant (CDBG) and the Housing Development Support Program (HDSP) to carry out the program.

## **B. Housing Strategy Recommendations**

The housing strategy was designed to increase affordable housing opportunities with increases in production, retention of existing units, and programs and policies that support these goals. All of these recommendations have been developed from an analysis of existing housing issues and from the applicable goals of the Town of Franklin, *Housing Development Action Plan* (1990).

### **1. Establish a housing task force.**

The most important step that the Town of Franklin can take to improve housing is to establish a group of committed local people to lead the housing program – a housing task force. The task force would help solve housing issues with locally administered input and programs and would examine housing supply and policies. It would be responsible for the following actions:

- Coordinate goals and efforts,
- Seek funding opportunities,
- Provide outreach for tenants,
- Establishing supply and demand for housing,
- Identifying target areas for housing development,
- Maximize utilization of resources.

The Town Council should appoint members. It should include a broad range of housing groups such as the Franklin Housing Authority, developers, and the Franklin Downtown Partnership.

In order to successfully implement actions, the task force will need to identify all stakeholders and coordinate goals and objectives as well as focus on implementation strategies. From a functional standpoint, the task force will need to have a budget, expenses, and seek housing funds and grants to support its operation and actions.

## **2. Ensure that the Town meets the Chapter 40B goal for subsidized housing.**

The Town needs to approach the Chapter 40B by ensuring that it first meets the state's goal of 10% subsidized housing and, second, that it develops a housing profile for new Chapter 40B projects.

A. Potential methods to reach state's goal of 10% subsidized units include:

- Monitor and track all housing projects.
- Establish policies to increase affordable housing units.
- Update housing plan every 5 years.
- Support lower cost housing that is affordable in perpetuity. Explore methods for preventing the expiration of affordable units.

B. The Town should establish a profile for new Chapter 40B projects after it achieves the state's 10% goal. Since 40B projects would no longer override local zoning requirements, the Town could allow housing that is appropriate, compatible, and meets the needs of community. This profile could prioritize types of development, units, numbers of bedrooms, and locations. For example, there may be a high demand for families, which may need convenient transportation access and units with more than three bedrooms.

## **3. Increase housing opportunities for low, moderate, and middle-income households.**

- Create zoning incentives to encourage low, moderate, and middle-income housing in multi-family developments and residential subdivisions.
- Establish a housing trust fund to assist with the development of lower cost housing for different income levels.
- Assist affordable housing goals by supporting programs and policies that directly seek related funding and programs.
- Establish a housing rehabilitation program to create additional affordable rental and ownership units in appropriate areas.
- Pursue funding programs available for assisting with housing efforts.

## **4. Encourage development of multifamily housing.**

The Town should encourage development of multi-family housing at appropriate locations in Franklin and encourage adaptive reuse of existing buildings for future residential use, particular downtown redevelopment areas. Consider the redevelopment of the Town's older sites for a mixture of uses, including lower cost housing for families and the elderly. Potential methods include:

- Providing financial incentives,

- Addressing development impacts, and
- Identifying downtown/mixed use development sites and working with property owners to create mixed use developments through incentives such as density bonuses or tax incrementing financing.

### **5. Increase housing opportunities for seniors and the elderly.**

Encourage affordable housing for the elderly through alternative residential programs such as life-care, assisted, or congregate living arrangements. Evaluate different programs for providing elderly housing. Amend the zoning by-laws to allow:

- “Assisted living” and other elderly housing facilities in residential and commercial zones, and
- Greater densities for housing reserved for the elderly residents, and
- “Adult housing – age restricted” subdivisions, by right, with higher densities up to 150% of than currently allowed, and by special permit to go up to as much as 200% of current zoning.

Other options to improve elderly housing include utilizing town-owned land for housing sites and utilizing the senior center for outreach and counseling.

### **6. Maintain a current inventory and develop affordable housing at specific locations.**

Maintain a current inventory of potential developable areas for housing. The current focus should be on providing multi-bedroom housing units. A housing map has been prepared to show existing housing facilities, numbers of housing units, and potential development areas for affordable housing. The following is an initial list of potential housing sites (see Figure 8).

### **7. Identify Potential Housing Development Areas**

- The focus area for providing housing is in and near the Downtown. This area provides the most services, has a housing stock that is generally affordable and can be converted to affordable housing, and has potential for infill development such as with mixed uses and along Grove Street.
- Redevelop the area near the Downtown for mixed uses. Allow housing conversions for this dense area. Along with this recommendation, reconsider a multi-family zone around the central business district.
- School land that is owned by the Town of Franklin should be evaluated for residential uses. Housing at schools could be used for teachers and other municipal workers. Renting or leasing to these people may require specific eligibility conditions such as income limits and residency terms.

- Retain, support, and expand existing affordable housing sites that are scattered throughout Franklin.

The Town of Franklin has postured itself as a key player and stakeholder in the creation of housing consistent with the above stated policy, goals and objectives. The Town reaffirms its commitment to ensure that a variety of housing opportunities exist to meet the diverse needs of its existing and future citizens. The Town looks forward to working with a broad coalition of public and private entities to achieve its affordable housing goals.

*Figure 8. Potential Housing Areas in Franklin*



**Town of Franklin**  
**The Housing Element of Franklin's Community Development Plan**  
**"Affordable Housing, Strategy, and Development Action Plan"**  
**Supplemental Information**

A supplement to be included as part of Franklin's Planned Production Plan as requested  
by the Department of Housing & Community Development in a letter dated  
November 9, 2004

The Town of Franklin's Affordable Housing, Strategy and Development Action Plan created as part of the Community Development Process involved a number of meetings, workshops and interviews with residents and local officials. The housing assessment process revealed the need to improve housing affordability in Franklin, in particular for low, moderate, and middle-income households (both seniors and families). The town of Franklin's housing production goals includes the creation of four hundred and fifty (450) affordable units over the next five years including 300 rental units approved in July 2004 under a Comprehensive Permit. The units to be created include a mix of housing such as senior and family rental and condominium units, and special needs housing (both physically and mentally challenged individuals).

**MIX OF HOUSING FOR PERSON'S WITH SPECIAL NEEDS**

(to be added to Section B. Demographics)

The Town of Franklin recognizes the need to provide housing for both physically and mentally challenged individuals. While not a complete picture of the special needs demands in the community, the 2000 US Census indicates the town has 626 individuals (2.1% of its population) living in group quarters and 3,285 individuals or 11.1% of the town's total population as disabled. Of the disabled individuals, 30% are persons over the age of 65 and 57% are between the ages of 21 and 64.

To address the housing needs of the town special needs population, a number of affordable housing projects either have been or are in the process of being permitted. For those needed group living, the town presently has a number of facilities including homes operated by DMR (4 units), Evergreen Center, Inc (8 units) and the Franklin Housing Authority (8 units). Additionally, the town supported the Franklin Housing Authority's application for a HUD 689 Program Loan of \$2.47 million to develop ten (10) units of special needs housing and design 12 single family homes (Section 705 housing) on the same parcel. This project was awarded by DHCD in 2004 and is currently in the design phase. The town intends to continue working with its Housing Authority to provide various special needs housing opportunities as part of its planned production.

To address both the town's need for senior housing and the housing need for seniors that may be disabled or live with disabled family members, the town passed an over-55 senior village by-law that allows for families with a disabled individuals where one member of the household is over age 55 to occupy a unit within these senior village developments.



All of these developments are constructed under condominium associations with townhouse, garden style or single-family unit styles of housing. These developments, if not specifically providing handicap accessible units, must insure that all units are handicap adaptable. All are first floor accessible and include a master bedroom and bathroom. Within these developments, and as provided for in the town's bylaw, 5-15% of the units are to be developed as affordable housing in accordance with the Department of Housing and Community Development's regulations for privately funded affordable housing. Presently, the town has approved a total of 236 (2.3% of Census 2000 housing stock) over-55 units including 19 affordable units.

Additionally, the town of Franklin has permitted two Chapter 40B rental unit projects for a total of 396 (3.9% of Census 2000 housing stock) units of rental housing – one, two and three bedroom units that meet all the 1988 accessibility requirements and universal design standards required by law and can serve the town's special needs population. Ninety-six of those units are built and occupied, with the remaining 300 units to be marketed in the summer and fall of 2005.

Finally, the town together with Community Builders is applying for a HUD 202 grant that will fund 50 senior apartments for low income and 50 senior apartments for moderate- income seniors. All of those units are universally designed and meet all accessibility requirements.

## **LONG TERM USE RESTRICTIONS**

The town intends to base its regulatory agreements and deed riders on those used in the Local Initiative Program (LIP). To the greatest extent possible housing units created through local approvals will be restricted in perpetuity. Housing rehab units will conform to the length of restriction specified under the funding programs, such as the 15-year term included in the Community Development Fund and Housing Development Support Program.

The town will seek to have affordable sale and resale prices calculated according to HUD's latest median area income statistics. Affordable prices will be determined by creating a marketing window so that buyers within a range of incomes may qualify for a mortgage for the affordable home despite possible interest rate fluctuations. The resale price will be established within a window of affordability for housing incomes between 70% and 80% of the areas (Metropolitan Statistical Area) median income. The maximum resale price will be based upon principal, interest, property tax, and insurance payments with the assumption of a 5% down payment. The town will endeavor to establish the affordable resale price based on low and moderate income households spending no more than 30% of their income on housing costs. Housing costs include all payments made toward the principal and interest of any mortgages placed on the unit, property taxes, and insurance, as well as homeownership, neighborhood association or condominium. These calculations are similar to those used in the LIP program and the town will work with DHCD to insure the resale price established is consistent with state regulations and policies at the time the resale occurs.

The monitoring of the resale restrictions and annual recertification in the case of rental agreements will be the responsibility of the project sponsor. Where applicable, the project sponsor will be required to submit information to the Franklin Housing Partnership c/o the Town Administrator's Office on an annual basis.